

Protecting Wisconsin Consumers for 75 Years

Shopping tips

Know who you are dealing with

Your best protection when shopping is to do business with companies you are familiar with. No matter how impressive a company's web site is, how convincing a telemarketer or how sincere a door-to-door sales person may appear, if you are not familiar with a company's reputation, it is important to check up on it.

You can help protect yourself by doing your research first.

- Consult with friends to see if they have ever done business with the company.
- Check with the Bureau of Consumer Protection and the Better Business Bureau in Wisconsin or the state where the seller is based.
- Confirm the seller's physical address and phone number. While federal and state laws may apply if you deal by phone, mail or computer with a company in another state or country, it may be difficult for you to pursue claims. Be aware when shopping with an overseas vendor, you might not have the same protections or be able to enforce your rights

as easily as when the vendor is in the United States.

- Use the Internet. Type the company name into your favorite search engine with terms like "complaint", "scam", or "review". You may find that others have had problems with this company and avoid doing business with them.

Protect your privacy

Provide personal information only if you know who is collecting it, why, and how it is going to be used.

- Do not give credit card or other financial information in exchange for a free gift card, a seasonal job or holiday vacation rental.
- Do not give out your Social Security Number, driver's license number or any other personal information **not** needed for the transaction.
- Do not e-mail your information. E-mail is not a secure way to transmit personal information.
- Do not click on any links that pop up. Legitimate companies do not ask for your financial information via e-mail or pop-up message.

- Check the privacy policy. Reputable companies will post their privacy policy on their website. Read through the policy and know how they will be using your information.

- Use a secure browser when making payments. Do not use public Wi-Fi sites to send sensitive information. Public "hot spots" are not secure.
- Keep your anti-virus and anti-spyware current along with your firewall. "Free" screensavers, e-cards or other seasonal downloads could contain viruses.

Layaway policies

- In Wisconsin, there are no state laws regulating layaway policies. The store may set its own policy.
- Before putting any money down, be sure to check out the store's policy. Are there storage and layaway fees, maximum number of payments allowed, time limits between each payment or cancellation penalties or privileges? If you do not bother to check, you could lose your money.
- Get the merchant's layaway plan in writing. Look for details

on the terms of the layaway plan: how much time you have to pay for the merchandise or service; when payments are due; the minimum payment required; and the possible charges for using the plan, like a service fee. Find out if there is a fee or penalty for missed or late payments. Will your contract be cancelled? Will the merchandise be returned to inventory?

- If you decide you do not want the merchandise after you have made some or all payments, can you get a refund? Retailers' policies may differ: some give you all your money back; others may charge a non-refundable service fee; still others may offer a merchant credit for the amount you paid.
- Keep good records of the payments you make on layaway merchandise. They may come in handy if you have a problem with the seller.

Be a smart buyer

Do the research on the product you are shopping for. Do not act on impulse or buckle under to high-pressure tactics. Legitimate vendors will not railroad you into making an on-the-spot decision that you might later regret. That is especially true for vendors who stand by their products and services.

- Read the seller's description – including the fine print.
- Know the basic features of a product and research add-on features or top-of-the-line for the item. How much extra are you paying and is it worth it?

- Shop around. Take the item's manufacturer and model number and compare among merchants. Some retailers match or beat prices or may have an offer of free shipping.
- Read reviews on products to get a good idea about performance, **but be skeptical**. Companies can set up fake reviews by paying "shills" to submit positive comments. They can also delete any negative comments. Check websites that specialize in reviewing products.

Pay with a credit card

Credit cards offer the best consumer protections. Under federal law, you have the right to dispute charges under certain circumstances within 60 days of purchase and payment is withheld while the charge is being investigated. You have credit card protections:

- If the product does not arrive on time or if you believe it was misrepresented.
- If you have an unauthorized charge on your credit card bill, your liability under federal law is limited to \$50. Monitor the charges appearing on your monthly statement.

Buying online using cash or cash equivalents – debit card, personal check, cashier's check or money order – can be risky. Wiring money is also just like sending cash. Once it is gone, it is gone and you cannot get it back.

Check on delivery dates

Keep or print out any advertisements or materials that

show a specific delivery time, or write the delivery time in your records if one was promised.

The law requires sellers to ship items by the time they promise or, if no delivery time is stated, within 30 days after the order date. If the seller cannot ship the goods within the stated time frame or 30-day deadline, the seller must notify you, give you a chance to cancel your order and send a full refund if you have chosen to cancel. The seller also has the option of canceling your order and refunding your money.

Check shipping and handling fees

Many retailers add a shipping and handling fee to the price of an item. Shipping and handling can be:

- Free.
- Charged as a flat rate.
- Based on where the order is to be shipped or the cost or weight of the goods.

Several delivery methods – standard/ground, two-day or overnight- may also be available at various costs. Be sure to find out about the options and costs and choose the delivery method you prefer. If you do not, the retailer may decide for you.

Knowing the cost of shipping can significantly impact the cost of the product and your decision who to purchase from.

Keep records of your purchases

When ordering by phone or computer, write down or print out

information related to the transaction, including the seller's name, address and telephone number; the name of the person you spoke with, if applicable; a description of what you ordered; and the seller's delivery date, terms and return policies. This documentation can be vital to have if you do not receive your order, receive the wrong shipment or have some other problem.

Track your order

If it is not delivered on time and you have not been notified of a delay, contact the company. It is your choice to agree to wait longer to receive the order or to cancel. If you cancel, your money must be refunded within seven days, or your account must be credited within one billing cycle if you charged the order. The company cannot substitute a merchandise credit for a refund.

The “cooling off” rule or your right to cancel

Purchases made away from the seller's permanent place of business and over \$25, may be subject to federal and state laws allowing you to cancel the purchase within three business days.

Wisconsin's direct marketing rule adds enforcement penalties to another Wisconsin law which provides a “cooling-off” period allowing you three business days to think about and cancel a direct marketing sale. The three-day cooling-off period does not cover real estate, auctions, items used for agricultural purposes or insurance – even if sold door to door. Your three-day right to

cancel starts after the seller has provided you the proper written notice of your right to cancel. In a direct marketing transaction, you must be notified of your three-day right to cancel. If you do choose to cancel, send your cancellation by certified mail, so you will have written proof that your cancellation notice was sent on time. Your money must be returned to you within 10 days. If the seller does not pick-up the product in 20 days, you may keep it.

Mail

Direct mail marketing is a growth industry because it enables sellers to target individuals in specific geographic, demographic or interest groups for their advertising. Most direct mail marketers are bona fide companies – but unfortunately, not all.

It is illegal for anyone to use the mail as part of a scheme to cheat people out of money. Federal mail fraud laws apply whether the mail is used to send solicitations to consumers, to receive consumers' payments or to transmit information from one company location to another. It is also against federal law for private or commercial interstate delivery services to be used as part of a fraudulent scheme.

In addition, it is illegal to use the mail or a private or commercial delivery service to send lottery solicitations or tickets across state lines or from another country into the United States. Federal law also prohibits mail that looks like it is from a government agency when it is

not, or that looks like an invoice when no goods or services were ever ordered, unless it clearly states that it is not a bill but only a sales solicitation.

To report mail fraud, call the local U.S. Postal Inspection Service or Postmaster. More information is posted at www.usps.gov.

Consumers who wish to have their name deleted from many direct mail lists can register with the Direct Marketing Association's Mail Preference Service. To register, go to:

www.dmachoice.org

or mail your request with a \$1 processing fee to:

**DMAchoice
Direct Marketing Association
PO Box 643
Carmel NY 10512**

Internet

While the Internet has greatly expanded the opportunity to shop from home, it has also increased the opportunity to be scammed. Identifying a fraudulent vendor on the Internet can be difficult. It is easy to create a flashy website or send what appears to be a friendly e-mail message.

Online vendors want to know as much about your buying habits as possible. They use this valuable information to tailor future advertising to you often resulting in you being bombarded with unwanted advertising. Online vendors use “cookies” to send ads targeted to your tastes and interests. A cookie is information that a site saves to your computer using your web browser. The data can be used to create a profile of

your online activities and target future advertising.

First-party cookies are placed by a site when you visit it. To make your online experience more efficient, cookies can help sites remember the items in your shopping cart, your log-in name, your preferences, and your high game scores.

Third party cookies are placed by someone other than the site you are on. These can be advertising networks that use the information to deliver ads tailored to your interests.

Various browsers have different ways to let you delete or limit the kinds of cookies placed on your computer. It is important to choose browsers with this in mind and keep your browser up-to-date for your protection.

Confirm that you are shopping on a site that uses a secure server by looking for a locked key or padlock at the bottom of the browser screen. These symbols mean that the information you are sending is encrypted – turned into a secret code – for online transmission. Only people with the proper decoding software can access the data.

Check privacy policies online and find out how your personal information will be used. In most cases, the password you established with the vendor and your credit card number and delivery address are the only information a seller should need to take your order. If a site does not have a privacy policy posted, you may not want to do business with it. If it does have a privacy

policy, there will probably be a link to it from the seller's home page, or it could be included with the Legal Terms.

Review the return, refund and shipping and handling policies as well as other legal terms. If you cannot find them, ask the seller through and e-mail to indicate where they are on the site or to provide them to you in writing.

Print the terms. You should print out and date a copy of the terms, conditions, warranties, item description, company information, even confirming e-mails, and save them with your records of your purchase.

Pay close attention.

When making an online purchase, an additional keystroke could get you 10 shirts when you only wanted one.

Insure the safe delivery of your item. If you are concerned you may not be home when your package is delivered and that someone may take it if it is left on the doorstep, ask whether you can specify that the shipper must receive a signature before leaving the package. Or, it may be safer to have the package delivered to your office.

Inspect your purchase. Look at your purchase carefully as soon as you receive it. Contact the seller as soon as possible if you discover a problem with it. Tell the seller in writing about any problems you have, ask for a repair or refund, and keep a copy of your correspondence.

When ordering online, it is also important to guard your

passwords. Do not use the same password you use to log on to your computer or network if the seller requires you to use a password to make a purchase. And choose a different password every time you register with a new site.

Do not store information elsewhere online. Many shopping sites, even the major ones, offer you the ability to save your credit information on their servers to speed the shopping process. It is definitely faster, but there are some risks to maintaining your personal information elsewhere. If a company that you are shopping with has a data breach, your personal information could be put at risk. It takes a little longer, but instead of storing your information on some server that you have no control over, just enter it yourself each time you shop.

Online auctions

Online auctions are another way of shopping, but before you place a cyber-bid, consider how online auction houses work. At traditional "live" auctions, the highest bidder "wins" - that is where the similarity ends. Many online auction sites do not have physical possession of the merchandise. The highest bidder often deals directly with the seller to complete the sale.

If you are the highest bidder, the seller typically will contact you by e-mail to arrange for payment and delivery. Some sellers may accept credit cards. Many sellers require payment with a check, certified check or money order. It is important to recognize that these payment methods do not

offer the same consumer protections as credit cards.

Some online sellers have put items up for auction, taken the highest bidder's money and never delivered the merchandise.

Consumers who paid by check or money order had little recourse when it came to getting their money back.

To help protect yourself when shopping through an online auction, ask about using an escrow service, which collects your payment and forwards it to the seller when you confirm that you have received the merchandise. Most escrow services charge a small fee, but the investment is well worth it. Another option is to pay cash on delivery.

Telemarketing

Anyone with a phone can be victimized by telemarketing or texting scam artists. You may get a call or text from a stranger who got your number from a telephone directory, mailing list or "sucker list" of people who have already lost money through fraudulent promotions or merchandise sales.

The Federal Trade Commission's Telemarketing Sales Rule and the Wisconsin Direct Marketing Rule require telemarketers to make certain disclosures and prohibit misrepresentations.

It is illegal for telemarketers to:

- Call before 8 a.m. or after 9 p.m. They cannot call you if you have not asked them to.
- If you have caller ID, the telephone number must be displayed for itself or the

company it is calling for and the name.

- They must tell you they are selling something and who they represent.
- Before paying for any products, they must tell you the total cost of the product or service including the terms and conditions and any restrictions or conditions that apply.
- Prize promotions must tell you the odds of winning, that no purchase is necessary, and any restrictions or conditions that apply. Prizes are free. If you are asked to pay for a prize, hang up!

If you have the slightest doubt about a telephone offer, tell the caller to send you the information in writing and check it out before putting your money on the line.

Door-to-door sales

Some businesses sell their goods and services by sending their sales people out to ring doorbells or arranging for home parties. Many consumers enjoy shopping "the old-fashioned way," but as in other types of sales, it is hard to know how to determine if a seller is legitimate.

If you are approached by a sales person at home, ask for identification verifying the person's name, the name of the business and the business address. Tell any salesperson that cannot provide this information to leave, and report suspicious salespeople to your local police department.

Do not feel pressured into buying something even if you are satisfied with the information provided. Be wary of sales pitches that require you to make an on-the-spot decision or offer "free" gifts with a purchase. Before buying anything, it is a good idea to ask for literature about the product or service and to comparison shop with local vendors.

If you have made a door-to-door purchase of \$25 or more, Wisconsin laws give you three days to cancel the transaction. By law, the sales person must tell you about your cancellation rights at the time of the sale. The salesperson also must give you two copies of a cancellation form (one to keep and one to send) and a copy of your contract or receipt. The contract or receipt should be dated, show the name and address of the seller, and explain your right to cancel. The contract or receipt must be in the same language that is used in the sales presentation.

If you run into a problem

For more information or to file a complaint, visit our website or contact the Bureau of Consumer Protection.

Bureau of Consumer Protection
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PO Box 8911
Madison WI 53708-8911

E-MAIL: DATCPHotline@wi.gov

WEBSITE: datcp.wi.gov

(800) 422-7128

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